



PANHANDLE

BENEWAH, BONNER, BOUNDARY, KOOTENAI, & SHOSHONE COUNTIES

EMPLOYMENT TRENDS

The Panhandle's seasonally adjusted unemployment rose from 6.8 percent in August to 7.6 percent in September, and the number of unemployed residents rose 13.7 percent from 6,200 to 7,050. That rise in unemployment resulted from the continued downturn in U.S. manufacturing, which began in the fall of 2000. The unemployment and employment statistics shown in Table 1 do not reflect the aftermath of the September 11 terrorist attacks. Labor force and employment statistics always are for the week containing the twelfth of the month. Residents who are employed any time in the week of the twelfth are counted as employed, even if they lose their jobs later in the week. Because the week containing the 12th of September 2001 started on Sunday, September 9, September's statistics do not reflect job losses caused by the September 11 attacks. Therefore, the first layoffs resulting from the attacks will show up in the October statistics.

The first Panhandle businesses dramatically affected by the September 11 attacks were tourism businesses that lost customers when stalled air traffic caused the cancellation of conventions. With many Americans afraid to fly in the first few weeks after September 11, the Coeur d'Alene Resort and other tourist facilities lost substantial business. By the end of September, many tourist businesses began laying off staff. Although tourism picked up a bit in October, it remained far below its normal October level.

One repercussion of the economic atmosphere created by September 11 was a huge decrease in lumber prices. As a result, several Panhandle mills experienced temporary shutdowns or staff reductions in October.

The economic downturn also wounded other manufacturing operations. Most of the Panhandle's largest manufacturers cut jobs after September 11. Furthermore, manufacturers became concerned about potential interruptions in production and services due to in-

Panhandle Table 1: Labor Force & Employment

	Sept 2001*	August 2001	Sept 2000	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	92,370	91,660	90,500	0.8	2.1
Unemployed	7,050	6,200	8,090	13.7	-12.9
% of Labor Force Unemployed	7.6%	6.8%	8.9%		
Total Employment	85,320	85,460	82,410	-0.2	3.5
Unadjusted					
Civilian Labor Force	92,130	93,490	89,890	-1.5	2.5
Unemployed	5,190	4,590	5,870	13.1	-11.6
% of Labor Force Unemployed	5.6%	4.9%	6.5%		
Total Employment	86,940	88,900	84,020	-2.2	3.5
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**					
Goods-Producing Industries	14,350	14,850	15,361	-3.4	-6.6
Mining	720	770	1,030	-6.5	-30.1
Construction	4,980	5,360	5,410	-7.1	-7.9
Manufacturing	8,650	8,720	8,921	-0.8	-3.0
Lumber & Wood Products	4,150	4,180	4,240	-0.7	-2.1
All Other Manufacturing	4,500	4,540	4,681	-0.9	-3.9
Service-Producing Industries	55,280	55,620	53,852	-0.6	2.7
Transportation	1,730	1,770	1,747	-2.3	-1.0
Communication & Utilities	1,070	1,070	1,091	0.0	-1.9
Wholesale Trade	2,260	2,240	2,308	0.9	-2.1
Retail Trade	15,800	16,120	15,644	-2.0	1.0
Finance, Insurance & Real Estate	2,640	2,640	2,475	0.0	6.7
Service & Miscellaneous	18,510	19,380	17,399	-4.5	6.4
Government Administration	8,050	8,290	7,981	-2.9	0.9
Government Education	5,220	4,110	5,207	27.0	0.2

* Preliminary estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

creased security measures. Over the last decade, businesses have increasingly relied on just-in-time practices, so delays in shipping can cause major production delays. Also, many manufacturers are experiencing cost increases for security, insurance, and transportation.

The retail sector also was hit hard. Coldwater Creek, the mail-order catalog company which is Sandpoint's largest employer, saw its sales decline sharply in the weeks after the terrorist attacks. Retail stores throughout the Panhandle saw fewer customers in recent weeks. As a result, many stores that normally would be hiring for the Christmas season decided not to hire this October.

CEDU Educational Services, which operates Rocky Mountain Academy and other programs for teens in the Bonners Ferry area, saw a decline in enrollments as parents became afraid to let their children fly or were reluctant to be parted from their children.

Besides coping with the increased severity of the U.S. economic slowdown, businesses also are facing new challenges of helping their employees cope with grief and fear following the terrorist attacks and anthrax mailings.

The war on terrorism will create a few job opportunities. Security firms and computer security consultants have seen a tremendous increase in demand for their services. In addition, U.S. Customs and the U.S. Immigration and Naturalization Service have increased their staffs at the Canadian border, including the North Idaho ports at Eastport and Porthill.

North Idaho College (NIC) recently opened an institute to teach how to respond to terrorist incidents including hostage situations. The program also will help businesses determine how to make international travel as safe as possible for their employees. The institute is named the Fort Sherman Institute for Human Protection. In the 1800s, Fort Sherman was the Army fort next to the lake in Coeur d'Alene, where NIC's main campus now is located. The institute, located at NIC's Workforce Training Center in Post Falls, has been on the drawing boards since July. The terrorist attacks on September 11 convinced NIC officials to move up the opening of the institute.

Anti-terrorism training also is provided by The Backup Training Corp. in Coeur d'Alene. The Backup produces magazines and interactive courses on CD-Rom for law enforcement agencies. The company currently offers 25 courses and has plans for 25 more. Its major focus since September 11 is producing a course for law enforcement agencies on how to respond to terrorism. The Backup, located at 421 Coeur d'Alene Avenue, employs 40 people.

AREA DEVELOPMENTS

Bonner County

- Downtown Sandpoint's newest store, Main Street Music and Game, sells new and used guitars, drums, CDs, albums, tapes, artwork, and VCRs at 111 Main Street.
- Another new downtown Sandpoint business is Pend Oreille Mortgage, a residential mortgage lender at 318 Pine Street.
- Clean Step II recently opened at 1309 Oak Street in Sandpoint. The business, owned by David Egin, repairs and maintains copiers, fax machines, printers, and document shredders.

Kootenai County

- Center Partners, which opened a call center in Coeur d'Alene in March, employed 900 people by the end of October. The 48,000-square-foot call center at 1201 Ironwood Drive is overflowing, and Center Partners plans to start a second call center in a 29,000-square-foot building under construction at Riverbend Commerce Park in Post Falls. The second center could employ 300 people by early 2002 and may eventually employ 500 people. The addition of a new center would make Center Partners the largest private employer in Kootenai County. Jobs Plus, Kootenai County's highly successful economic recruitment organization, helped bring Center Partners to the county. Center Partners has been impressed by the quality and availability of labor in Kootenai County.

- C2 Bandwidth opened in October at 408 Sherman Avenue in downtown Coeur d'Alene. The bandwidth wholesaler buys bandwidth from AT&T and Sprint and sells it to Internet Service Providers, software developers, and other companies that need uninterrupted access to the Internet. Normally, these services aren't offered outside large cities. The existence of a bandwidth wholesaler could help North Idaho attract e-commerce businesses and other kinds of businesses requiring sophisticated technology networks, according to a Jobs Plus spokesperson. C2 Bandwidth currently employs three people.
- Spokane Cardiology PSC, a cardiology practice, plans to open a branch in a 2,300-square-foot space in the Interlake Medical Building at 700 Ironwood Drive in Coeur d'Alene by December. The branch, to be known as Kootenai Heart & Vascular Health, will employ one physician and four other people. The cardiology practice will complement Kootenai Medical Center's intended enhancement of its heart care services.
- Inland Northwest Bank will break ground on its new building at 2190 North Ironwood Place in Coeur d'Alene in November. When the building is completed in June the bank will move out of its current location at 622 Sherman Avenue.
- A Sylvan Learning Center opened at 408 West Haycraft in Coeur d'Alene in October. The center teaches reading, writing, math, and other skills to children from preschool through 12th grade. It also can help children learn how to do their homework better, and offers assistance preparing for the SAT and ACT college entrance exams.
- Coeur d'Alene recently welcomed these new businesses: Stuff & Things, a store selling silk flower arrangements, porcelain dolls, hand-crafted household decorations, and other gift items in the Fairgrounds Center at 4055 Government Way; All Breed K9 Academy, a dog-training institute at 728 North Fourth Street; Quigley's Café, offering breakfast and lunch in the former Tubbs Café on Mullan Avenue; All About Sports, selling new and used camping, backpacking, snowboarding, skateboarding, and golf equipment at 204 North Fourth Street; Dagny's Coffee Co., a drive-up stand serving coffee, fruit drinks, sandwiches, and salads at 1820 Northwest Boulevard; International Minute Press, an offset printing firm at 101 Ironwood Drive; Latte Lane Espresso at 1602 Sherman Avenue; Midtown Baking Co., a restaurant serving homemade bread, dessert, soups, and salads at 846 N. Fourth Street; and Shabby to Sheek, a frame shop in the Wiggett Mall downtown.

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